

59-14-204.5 Application of excise tax on tribal lands.

- (1)
 - (a) Cigarettes sold to or received by members of a federally recognized Indian tribe that are purchased or received on the tribal lands are not subject to the tax imposed by Section 59-14-204.
 - (b) Cigarettes exempt from tax under Section 5704, Internal Revenue Code, and distributed in accordance with federal regulations are not subject to the tax imposed by Section 59-14-204.
- (2)
 - (a)
 - (i) The tax applicable to cigarettes sold to or received by nontribal members on tribal lands is equal to the state tax imposed by Section 59-14-204, minus any tribal tax actually paid.
 - (ii) For purposes of this section, nontribal members includes any person who is not a member of the Indian tribe that is selling the cigarettes.
 - (b) If the application of the tax offset for tribal taxes permitted in Subsection (2)(a) results in a negative balance, the taxes owed to the state are zero.
 - (c)
 - (i) Cigarettes taxed pursuant to this Subsection (2) shall bear a tax stamp as required by Section 59-14-205 in an amount equal to the tax imposed by Section 59-14-204.
 - (ii) The commission shall at least semi-annually rebate to an Indian tribal entity that is in compliance with this chapter the lesser of:
 - (A) an amount equal to the tribal tax imposed on sales under this Subsection (2); or
 - (B) the face value of the tax stamps affixed to cigarettes sold under this Subsection (2).

Amended by Chapter 317, 2010 General Session